



Montana Board of Research and Commercialization Technology

Request for Proposals

Research and Commercialization Projects

Fiscal Year 2012 Guidelines

December 13, 2010

Introduction

The Montana Board of Research and Commercialization Technology encourages economic development through investment in research and commercialization projects. The board has about \$1 million available to grant in fiscal year 2012 (7/1/11 – 6/30/12) for such projects. The emphasis of the program is on projects that lead to marketable products or processes. Projects must be matched with non-Montana state government funds at an amount equal to at least 25% of the total project cost.

This is a highly competitive funding program. To maximize the possibility of obtaining funding, applicants should carefully follow the instructions in this Request for Proposals. Incomplete proposals may be dropped from consideration.

Eligible Applicants

Eligible applicants are Montana-based research and commercialization centers. Research and commercialization centers are statutorily defined as the campuses of the University of Montana or Montana State University, tribal colleges, colleges of technology, community colleges, agricultural research centers, or private laboratories or research centers.

Application Deadlines

The submission deadline is March 1, 2011, 5:00 p.m. at the Helena office. Funding decisions are anticipated for July 2011. Applicants must submit three copies of the proposal, and include a copy in PDF format on a CD.

The next application deadline is expected to be on or around March 1, 2012.

I. Application

Requirements for a Research and Commercialization Grant

The application should be submitted as two separate parts: An executive summary and the project proposal/commercialization plan. (As discussed in the following paragraph, if the applicant chooses to submit a confidentiality and non-disclosure agreement and affidavit, the application should be submitted in three separate parts.) The executive summary should be physically separate from the project proposal/commercialization plan. Any information considered confidential by the applicant should not be included in the executive summary. Both parts will constitute the entire application to be reviewed by the board.

Confidentiality and Non-Disclosure Agreement - Once information is submitted to the Board, the information is subject to the public's right to know pursuant to Article II, Section 9 of the Montana Constitution. Written information is subject to the right of citizens to inspect and copy pursuant to §2-6-102, MCA, unless there is an individual privacy interest that clearly exceeds the merits of public disclosure. Public disclosure may also negatively impact an applicant's ability to protect its intellectual property by patent or other legal means.

Upon submission of any potentially confidential information, the applicant may enter into a confidentiality and non-disclosure agreement with the Department of Commerce and provide an affidavit so that there is a clear understanding of the rights and obligations of the applicant relative to protection of sensitive information in Montana. Please use the attached confidentiality and non-disclosure agreement, and affidavit. The confidentiality and non-disclosure agreement, and affidavit should be physically separate from the project proposal/commercialization plan. One copy of these documents is sufficient.

Executive Summary – The executive summary must contain in a clearly marked fashion the following items in the order listed below:

1. In two pages or less (the two-page limit applies to the four items (a) – (d) listed below), a summary of the proposed project, including:
 - a) Description of the proposal
 - b) Explanation of the technology involved
 - c) Description of any new products or processes that might be developed
 - d) Explanation of why the proposal is important and should be funded

2. An explanation of how the project meets each of the following statutory project criteria:

- a) Has potential to diversify or add value to a traditional basic industry of the state's economy
- b) Shows promise for enhancing technology-based sectors of Montana's economy or for the commercial development of discoveries
- c) Employs or otherwise takes advantage of existing research and commercialization strengths within the state's public university system and private research establishment
- d) Involves a realistic and achievable research project design
- e) Develops or employs an innovative technology
- f) Is located in Montana
- g) The research team possesses sufficient expertise in the appropriate technology area to complete the research objective
- h) Has received financial support based on its scientific merits following review by a recognized federal agency, philanthropic foundation, or other private funding source
- i) Includes research opportunities for students

3. At least twenty percent of the board's funding must go toward projects that support production agriculture. Indicate whether the project enhances production agriculture. If it does, a brief explanation of how should be included.

4. At least thirty percent of the board's funding must go toward projects that support clean coal research and development, or renewable resource research and development. "Clean coal research and development" means research and development of projects that would advance the efficiency, environmental performance, and cost-competitiveness of using coal as an energy source well beyond the current level of technology used in commercial service. "Renewable resource research and development" means research and development of projects that would use any of the sources of energy listed below to produce electricity, with the efficiency, environmental performance, and cost-competitiveness of using these resources being well beyond the current level of technology used in commercial service:

- a) Wind
- b) Solar

- c) Geothermal
- d) Water power, in the case of a hydroelectric project that does not require a new appropriation, diversion, or impoundment of water that has a nameplate rating of 10 megawatts or less
- e) Landfill or farm-based methane gas
- f) Gas produced during the treatment of wastewater
- g) Low-emission, nontoxic biomass based on dedicated energy crops, animal wastes, or solid organic fuels from wood, forest, or field residues, except that the term does not include wood pieces that have been treated with chemical preservatives such as creosote, pentachlorophenol, or copper-chroma-arsenic
- h) Hydrogen derived from any of the sources in this list for use in fuel cells
- i) The renewable energy fraction from the sources identified in this list of electricity production from a multiple-fuel process with fossil fuels

Indicate whether the project supports clean coal research and development, or renewable resource research and development. If it does, a brief explanation of how should be included.

- 5. A description of whether the grant is to be used for basic research, applied research, or some combination of both. Applied research is defined as research that is conducted to attain a specific benefit or solve a practical problem, and basic research is defined as research that is conducted to uncover the basic function or mechanism of a scientific question.
- 6. A statement of whether matching funds are currently available, and if not, how, where and when they might be obtained.
- 7. An estimate of the total financing needs.
- 8. The amount of funds requested from the board, with a description of the expected use of proceeds.
- 9. Whether or not an external peer review has been conducted.

The executive summary should not contain any information that the applicant does not want subject to public inspection.



Project Proposal – This portion of the application should be organized as follows:

- Title Page – Include the name and complete contact information of the Principal Investigator, and whether the proposal is a continuation of a project previously funded by the board.
- Table of Contents
- Project Description
- Commercialization Plan

If a proposal for this project has been prepared for another agency, that application may be substituted for the project proposal. However, if any of the following items are not addressed they must be added separately. The applicant must clearly indicate in the Table of Contents where each of the following items one through eight and the commercialization plan are found in the project proposal.

The project description must contain the items listed below:

1. A clear statement of proposed objectives (no more than one page).
2. A concise review of the background information and technology relevant to the project.
3. A description of the project design. This should be sufficiently detailed so that a knowledgeable reviewer can assess whether the project is scientifically /technically sound and its likelihood of success.
4. The results of external peer review. Copies of scores and written critiques should be included. Peer reviews are required for projects receiving grant funding.
5. A list of required facilities and equipment.
6. A list of performance benchmarks with target dates.
7. An itemized budget, with documentation showing all sources of funds and a justification for the use of proceeds for each line of the budget. Board funds cannot be used for the payment of institutional overhead or other indirect costs of the Montana university system. Applicants must use the attached budget form. (Applicants from the Montana university system may submit budgets in accordance with their automated billing systems. Such applicants must use the template provided in the attached budget form and may only make changes to the Budget Item column.)
8. The resumes of the major principals identified in the project design describing the education and employment experience of each.

Commercialization Plan – This should include a product description, a description of the target market including its size, strategy for marketing the product, product pricing considerations, a manufacturing or production plan, and a business risk assessment. Proposals that can show a direct and realistic path to commercialization are favored.

II. Proposal Review Process

Peer Review of Proposals

As required by statute, external peer review of grant proposals is mandatory. The board may accept the results of the competitive peer review process conducted by a federal or private granting agency. However, the board may seek additional peer review if deemed necessary.

Staff Review of Proposals

Staff review of the proposal will verify compliance with the statutory purpose and criteria, and may address other issues as determined by the board.

Presentation of Proposals

The board may ask the applicant to make a presentation of the proposal in person at a board meeting, or the board may request a visit at the site where the project will be carried out.

III. Funding Decision

Board Decision

In its evaluation of each proposal the board will take into consideration the number of, and the degree to which statutory criteria are met. In addition, the board will take into consideration the stated statutory purpose, the goals and objectives of the proposal, the applicant's presentation and the staff report. Based on these factors, the board will determine whether the proposal should be approved for a grant, whether the proposal should be modified, or whether the proposal should be denied.

If the board is satisfied with the quality and goals of the proposal but the required external peer review has not been completed, the board may decide to fund external peer review of the proposal. Upon completion of external peer review, the proposal will be reevaluated.

Reconsideration of Board Decision

If the board determines that a proposal is ineligible for a grant due to failure to comply with applicable statutory criteria and other criteria, the applicant has thirty days from receipt of notification of such determination to request that the board reconsider the proposal.

IV. Funding Agreement

The board may disburse the funds outlined in the funding agreement according to performance benchmarks or other requirements as determined by the board.

The funding recipient must submit progress reports to the board as required in the funding agreement. The progress reports shall include, but not be limited to:

1. Financial status of the project
2. Overall project performance
3. Progress in accomplishing performance benchmarks

A final report is due upon completion of the project term.

The required matching funds must be in the possession of the applicant at the time grant funds are disbursed.

For additional information, contact:

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Montana Board of Research and Commercialization Technology
301 S. Park Avenue – Suite #122 – Helena, MT 59601
P.O. Box 200501 - Helena, MT 59620

Phone (406) 841-2760 / (406) 841-2759
Fax (406) 841-2761
ddesch@mt.gov
jtodd@mt.gov
<http://businessresources.mt.gov/MBRCT/default.mcp>
Montana Department of Commerce

Montana Board of Research and Commercialization Technology Budget Form

Project Year One (Use additional sheets if more than one year of funding is being requested.)

Project Title:

Principal Investigator:

Budget Item	R&C Funds	Matching Funds	Other Funds	Total
Salaries				\$
Payroll Benefits				\$
Repair and Maintenance				\$
Travel				\$
Communications				\$
Contracted Services				\$
Supplies and Materials				\$
Rent				\$
Equipment				\$
Subcontracts				\$
Other (Identify)				\$
Facilities and Administrative Costs				\$
Total	\$	\$	\$	\$

Note: Any funds in the "Matching Funds" column must be from non-Montana state government sources.

Montana Board of Research and Commercialization Technology Matching Funds Form

Project Year One (Use additional sheets if more than one year of funding is being requested.)

Project Title:

Principal Investigator:

Source of Matching Funds	Amount Applied to Proposal
	\$
	\$
	\$
	\$
	\$
Total	\$

Note: The total funds in the "Amount Applied to Proposal" column should equal the total funds in the "Matching Funds" column in the above Budget Form.

**MONTANA DEPARTMENT OF COMMERCE
BOARD OF RESEARCH AND COMMERCIALIZATION TECHNOLOGY**

CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

THIS CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT (“Agreement”) is made as of the (day) day of (month), (year), by and between (Name of Applicant) (“Applicant”) and its affiliates and the Montana Department of Commerce (“MDOC”) and its affiliates.

WHEREAS, the MDOC has requested and/or may request verbal and written information from Applicant and its affiliates regarding the Applicant and certain of its affiliates and Project (including without limitation the proposed (Project Description) to be located in (name of City, Town, or County), Montana incident to discussions concerning one or more possible grants for the benefit of Applicant. The MDOC will accept a copy of the Application and any supporting documentation submitted by Applicant.

NOW, THEREFORE, in consideration of the premises and the disclosure of such information, each Party hereby, intending to be legally bound, agrees to the following provisions:

1. Applicant understands and agrees that, pursuant to the Montana Supreme Court’s decision in Great Falls Tribune v. Public Service Commission, 319 Mont. 38, 82 P.3d 876 (2003), all documents filed with the MDOC by Applicant are presumptively available for access by the public under the “right to know” provision of Article 2, Section 9 of the Montana Constitution. Under the decision, however, the presumption that all documents filed by Applicant with the MDOC are public may be overcome by the proper showing, consistent with the court’s decision.
2. If Applicant submits documents or information to the MDOC that it considers confidential and wishes the documents or information to be withheld from public disclosure, it will identify which part of the documents or information it considers confidential at the time the documents or information are submitted. Applicant will identify the confidential items through an affidavit that clearly states the facts upon which it believes the documents or information should be withheld from public disclosure. The stated facts must be specific enough so that reviewing authorities can clearly understand the nature and basis of Applicant’s claims to the right of confidentiality. A statement that all documents or information submitted by Applicant are confidential, or other conclusory statements, will be ineffective to prevent public disclosure. Applicant understands and agrees that the affidavit it submits is subject to public disclosure.
3. If individual documents or information are not specified as confidential or the affidavit is factually insufficient to support confidentiality, the MDOC will deem the documents or information submitted as subject to public disclosure.
4. The MDOC will take reasonable steps to protect documents or information designated as confidential and for which Applicant submitted an affidavit clearly stating the factual basis for the claim of confidentiality. Upon receiving a written request from a

third party to review any confidential documents or information, the MDOC will notify Applicant of the request in writing. The written notice provided by MDOC will enclose a copy of the third party request. The written notice and third party request will be sent by U.S. mail and by fax to the following addresses and fax numbers:

To (Name of Applicant): (Applicant Address)
Attention: (Name of Contact)
Fax #: (Fax Number)

with a copy to: (Address)
(If required) Attention: (Name of Contact)
Fax #: (Fax Number)

5. It is the responsibility of Applicant upon receipt of the written notice from MDOC to take such action as is necessary to protect the documents or information from disclosure, including obtaining a court order protecting the documents or information from disclosure if necessary. If the MDOC does not receive an order from a court of competent jurisdiction ordering the MDOC to maintain confidentiality of the requested information or the MDOC is not notified of other arrangements made between Applicant and the requesting party within 15 days from the date of the written notice by the MDOC to Applicant of the third party request, the information will be disclosed to the requesting party, notwithstanding the affidavit. The MDOC will not assert the right of confidentiality for Applicant in any court, whether sitting at law or in equity.

6. Applicant agrees that in the event MDOC discloses documents or information in accordance with the provisions of this Agreement, Applicant will not assert any claim, liability, demand, or cause of action against MDOC for a violation of any confidentiality interest, including - but not limited to the Applicant's ability to obtain protection of any intellectual property, in any documents or information that it has submitted to MDOC.

7. Applicant agrees to defend, indemnify, and save harmless the MDOC against and from any and all claims, liabilities, demands, causes of action, judgments, damages, and losses, including costs and attorneys' fees associated with any action for release of documents or information submitted to MDOC by Applicant, whether such action is brought in the name of Applicant or a third party.

8. The MDOC may be required by federal and state regulations and laws to provide access to state and federal audit and monitoring officials in order to document compliance with applicable state and federal regulations and laws. In the event and to the extent access to information provided to the MDOC by Applicant related to the grant program and otherwise subject to this Agreement is requested by federal or state auditors, Applicant agrees that the MDOC may disclose such information to such auditors, provided that (a) such information is used only by such auditors for the purposes set forth in the previous sentence, and for no other purposes whatsoever; and (b) such information in the possession of or otherwise disclosed to such auditors shall remain subject to the provisions of this Agreement.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective duly authorized representatives as of the date first above written.

(Name of Applicant)

By:_____

Name: (Name)

Title: (Title)

MONTANA DEPARTMENT OF COMMERCE

By:_____

Name: Dore Schwinden

Title: Director

APPROVED BY:

Attorney for the Department

AFFIDAVIT

State of Montana)

: ss.

County of _____)

COMES NOW, (Applicant Official), being first duly sworn upon his oath, deposes and states as follows:

That he/she is the (Title) of (Applicant) and offers the following in support of (Applicant's) claim of confidentiality for information submitted in support of Applicant's application to the Montana Department of Commerce for funds:

1. I am the (Title) of (Applicant) and offer the following in support of (Applicant's) claim of confidentiality for information submitted to the Montana Department of Commerce.
2. (Applicant) claims that the document titled (e.g., describe specific documents contained in Applicant's Application or Project Proposal) is confidential and should be withheld from public disclosure as it contains information developed by (Applicant) concerning its (e.g., intellectual property, technical data, or business forecasts and assessments). This information is consistently maintained by (Applicant) as confidential information and if disclosed could prejudice (Applicant's) competitive position and could result in financial losses to (Applicant).
3. (Applicant) claims that portions of the documents titled (e.g., describe specific documents contained in Applicant's Application or Project Proposal), including (describe portions of document that are confidential), are confidential and should be withheld from public disclosure as they contain information developed by (Applicant) concerning its (e.g., intellectual property, technical data, financial information). This information is consistently maintained by (Applicant) as confidential information and if disclosed could prejudice (Applicant's) competitive position and could result in financial losses to (Applicant).

(Applicant Official)

This instrument was acknowledged before me on the ____ day of (Month), 201_ by (Applicant Official).

(Seal)

Printed Name: _____
Notary Public for the State of _____
Residing at _____
My commission expires: ____